



MCB FUNDS
Investments for Life

ANNUAL REPORT 2024

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC ASSET ALLOCATION FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B' S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Faysal Bank Limited United Bank Limited Bank Al-Habib Limited Habib Bank Limited National Bank of Pakistan	Dubai Islamic Bank Pakistan Limited MCB Islamic Bank Limited Bank Islami Pakistan Limited Askari Bank Limited Soneri Bank Limited
Auditors	BDO Ebrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Asset Allocation Fund** accounts review for the year ended June 30, 2024.

Economy Review

Fiscal year 2024 marked a period of macroeconomic recovery for Pakistan, averting a looming default brought about by continued economic mismanagement. This turnaround was primarily attributed to Pakistan entering a new IMF program after several months of delay. The government secured a much-needed Stand-by Arrangement (SBA) facility of USD 3.0 billion from the IMF in June 23, and managed to receive timely rollovers from friendly countries. It also showed unwavering commitment to remain compliant with the IMF targets and as a result government was able to successfully complete the program.

The caretaker government took office in August 2023 and immediately faced speculative pressure on the currency, causing it to spike to a record high of 307 in the interbank market. Exchange rate in informal market reached a higher of near 330 PKR/USD reflecting an increase of speculative activity and rampant uncertainty. The government took decisive steps against smuggling of dollar, abuse of Afghan Transit and illegal money dealers in September 2023, which spurred a rapid recovery in the exchange rate. This helped in improving confidence and narrower spreads in open and interbank rates. The authorities also placed mechanisms to strictly monitor exchange rate payments to manage the overall external balance. Combination of both administration measures and steps to discipline external and fiscal accounts helped restore overall stability. The USD PKR close the year at 278.3 appreciating by 2.6% since the start of the year.

Country posted a current account deficit (CAD) of USD 464 million in the first eleven months of the fiscal year 2024 (11MFY24) declining by 88% YoY compared to a deficit of USD 3.8 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 11.3% increase in exports coupled with an 2.3% drop in imports led to a 17.0% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 9.4 billion as of June 2024 compared to USD 4.4 billion at the end of last fiscal year. This was on account of flows from the IMF, friendly countries and multilateral sources.

Headline inflation represented by CPI averaged 23.9% during the fiscal year 2024 compared to 29.0% last year. Inflation remained on the higher side as massive currency depreciation in the prior periods led to surge in food and energy prices. The government also hiked electricity base tariff and gas prices to comply with the IMF conditions, which led to further inflationary pressures. The SBP reduced the policy rate by 150bps to 20.5% in the last monetary policy of the year held on June 10, 2024. The monetary policy noted a significant decline in inflation, resulting in a substantially positive real interest rate, which justifies initiating a monetary easing cycle.

The country's GDP grew by 2.4% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.3%, Services and industrial sector witnessed a paltry increase of 1.2% each. Historic high interest rates coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side,

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

FBR tax collection increased by 29.6% in FY24 to PKR 9,285 billion, missing the target by a modest PKR 130 billion.

Equity Market Review

The stock market witnessed exuberance in fiscal year 2024, as the benchmark KSE-100 increased by staggering 89.2% or 36,992 points, to close at all time high of 78,445 points. This also makes Pakistan the best performing market in the world with USD return of 94.4% in the year.

The bullish momentum continued throughout the year was on account of improvement in macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the successful completion of all IMF reviews under SBA. Moreover, the successful conclusion of elections in February 2024 brought long due clarity amongst investors. In addition, reaffirmation by the incumbent government to continue structural reforms, along with the intention to enter a longer IMF program, further uplifted sentiment. Lastly, the strength of the local currency post-crackdown on currency smuggling and hoarding, strong corporate profitability, increase in taxes on other asset classes in the budget FY25, and start of monetary easing with 150bps cut, all contributed to the sustainable rally.

During FY24, Foreign investors, Insurance, and Corporates were net buyers with an inflow of USD 141 million, USD 126 million and USD 36 million, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 141 million and USD 48 million, respectively. During FY24, average trading volumes for KSE-All Index saw an increase of 140.4% to 461 million shares compared to about 191 million shares in the same period last year. Similarly, the average trading value during the period saw a rise of 118.5% over previous year to near USD 55 million.

Banking, Fertilizer, and E&P sector were the major contributors to the index gain adding 13,262/5,074/4,300 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring besides strong profitability. Fertilizer sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt, which would improve the sector cash flows.

FUND PERFORMANCE

During the period under review, the fund delivered a return of 80.64% as against its benchmark return of 75.43%.

On the equities front, the overall allocation was 86.9% at the end of the period under review. The fund was mainly invested in Cement, Commercial Banks, and Oil & Gas Exploration Companies significantly during the period.

Rest of the fund was invested in cash, amounting to 12.2%.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 1,487 million as compared to Rs. 1,289 million as at June 30, 2023 registering an increase of 15.36%.

The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 112.0957 as compared to opening NAV of Rs. 65.3123 per unit as at June 30, 2023 registering an increase of Rs. 46.7834 per unit.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 3.5% in FY25 after a disappointing performance last year where the GDP increased by only 2.4%. The outlook for industrial output is relatively optimistic with an expected growth of 4.0% compared to 1.2% last year. Macroeconomic stability, stable currency and decline in interest rates will help revive the industrial and service sector growth. Agriculture performance is likely to remain on the lower side due to high base effect.

A new staff-level loan agreement has been reached between Pakistan and the International Monetary Fund (IMF) under which the country will receive USD 7.0 billion over 37 months. The final approval of the loan will be given by the IMF Executive Board. Successful continuation of the IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. However, our external position still remains precarious due to debt outflows and our inability to raise funds through international Eurobond or Sukuk. Thus, we would continue to run a sustainable current account this year to stave off external concerns. We expect a CAD of USD 1.0 billion (0.2% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella.

The USD PKR is expected to remain stable as the government is focusing on improving current account deficit on the back of recovery in export and remittances. Entry into the new IMF program will also increase visibility on the external funding. We expect USD/PKR to close the fiscal year around PKR 311.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in June 2024 clocked of 12.6% compared to a high of 38.0% in May 2023. The core inflation also registered a significant slowdown, clocking at 14.1% which is a low of 23 months. The inflation reading is expected to decline to single digits in 1H FY25. Keeping in view the inflationary trends, external and fiscal position we expect interest rate to decline to 14-15% by June 25.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.8%, a discount of 48% from its historical average of 18.9%. Similarly, Earning Yield minus Risk Free Rate is close to 7.2%, compared to the historical average of 3.0% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 4.7x, while offering a dividend yield of 11.2%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. Investors with a mid to long term view can benefit from Bond and Income Funds where higher duration will create opportunities for capital gains in the wake of Interest rate outlook. We have added government bonds in Income Funds to benefit from the expected monetary easing in the near term.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 64.6% during FY24 to PKR 2,574 billion. Total money market funds grew by about 45.0% since June 2023. Within the money market sphere, conventional funds showed a growth of 33.0% to PKR 629 billion while Islamic funds increased by 58.2% to PKR 679 billion. In addition, the total fixed Income funds increased by about 104.7% since June 2023 to PKR 756 billion while Equity and related funds increased by 52.3% to PKR 255 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 50.8%, followed by Income funds with 37.3% and Equity and Equity related funds having a share of 9.9% as at the end of June 30, 2024.

Mutual Fund Industry Outlook

Both Bonds and Equities are likely to do well in the next year on the back of cut in interest rates. During the year, significant interest of investors is already visible in Income Funds while equity fund is likely to see inflows post new IMF agreement. Relatively High interest rates during the period would encourage sustained flows in the money market funds as they are ideal for investors with a short-term horizon and low risk profile.

Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

MANAGEMENT COMPANY

On April 18, 2023, MCB Bank Limited (MCB), being the parent company of MCB-Arif Habib Savings and Investments Limited, has acquired 21,664,167 (30.09%) shares of MCB-Arif Habib Savings & Investment Limited (MCB-AH) from Arif Habib Corporation Limited (AHCL). By virtue of this transaction MCB Bank Limited's shareholding in MCB-AH has increased from 36,956,768 (51.33%) shares to 58,620,935 (81.42%) and AHCL no longer holds any shares in MCB-AH.

Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 07, 2023 have resolved via special resolution that the name of the Company be changed from MCB-Arif Habib Savings and Investments Limited to MCB Investment Management Limited and Securities and Exchange Commission of Pakistan (SECP) has approved the change in name on August 15, 2023.

CORPORATE GOVERNANCE

The Fund is committed to implement the highest standards of corporate governance. The Board comprises of eight (8) members including the Chief Executive Officer (CEO) and has a diverse mix of gender and knowledge. The Board consists of 1 female and 7 male directors, categorized as follows:

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

- 4 Non – Executive Directors;
- 3 Independent Directors; and
- 1 Executive Director (CEO).

The details of above are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Shoaib Mumtaz	Non-Executive Director	HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	HR&R* Committee Audit Committee
4.	Mr. Manzar Mushtaq	Non-Executive Director	Audit Committee
5.	Syed Savail Meekal Hussain	Independent Director	Audit Committee (Chairman)
6.	Mr. Fahd Kamal Chinoy	Independent Director	HR&R* Committee (Chairman)
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee
8.	Mr. Khawaja Khalil Shah	Executive Director	HR&R* Committee

* HR&R stands for Human Resource and Remuneration

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance. The Fund remains committed to conduct business in line with listing regulations of Pakistan Stock Exchange, which clearly defined the role and responsibilities of Board of Directors and Management.

The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;
- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

& Exchange Commission of Pakistan have been followed in the preparation of financial statements.;

- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report.
- j. As at June 30, 2024, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 20 of the Code;
- k. The detailed pattern of shareholding as on June 30, 2024 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;
- m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2024:

1. Meeting of the Audit Committee.

During the year, four (4) meetings of the Audit Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Syed Savail Meekal Hussain	4	4	4	0
2. Mr. Ahmed Jahangir	4	4	4	0
3. Mr. Manzar Mushtaq	4	4	4	0

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

2. Meeting of the Human Resource and Remuneration Committee.

During the year, two (2) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Fahd Kamal Chinoy	2	2	2	-
2. Mr. Shoaib Mumtaz	2	2	2	-
3. Mr. Ahmed Jahangir	2	2	1	1
4. Ms. Mavra Adil Khan	2	2	1	1

- n. The trades in the Units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

S. No.	Name	Designation	Investment	Redemption	Dividend Distribution
			(Number of Units)		
1.	Muhammad Asif Mehdi Rizvi	Chief Financial & Operating Officer	764.07	762.21	0.02

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. BDO Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2024. The Audit Committee has recommended re-appointment of **M/s. BDO Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2024 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. BDO Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY
FOR THE YEAR ENDED JUNE 30, 2024**

ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
September 25, 2024



Manzar Mushtaq
Director
September 25, 2024

ڈائریکٹرز رپورٹ

کمپنی سیکرٹری، اورینٹمنٹ کمپنی کے چیف انٹرنل آڈیٹر اور ان کی شریک حیات اور نابالغ بچوں کے ذریعے کی گئی۔

سیریل نمبر	نام	عہدہ	سرمایہ کاری	واپسی	ڈیویڈنڈ کی تقسیم
			(یونٹوں کی تعداد)		
1.	محمد آصف مہدی رضوی	چیف فنانشل اینڈ آپریننگ آفیسر	764.07	762.21	0.02

بیرونی آڈیٹرز

فنڈ کے بیرونی آڈیٹر ایم ایس بی ڈی او چارٹرڈ اکاؤنٹنٹس 30 جون 2024 کو ختم ہونے والے مالی سال کے آڈٹ کی تکمیل کے بعد اپنا کام مکمل کر چکے ہیں۔ آڈٹ کمیٹی نے سفارش کی ہے کہ ایم ایس بی ڈی او چارٹرڈ اکاؤنٹنٹس کا 30 جون 2025 کو ختم ہونے والے مالی سال کے لیے فنڈ کے بیرونی آڈیٹرز کے طور پر دوبارہ انتخاب کیا جائے اور بورڈ نے بھی آڈٹ کمیٹی کی سفارش کی توثیق کی ہے۔ ایم ایس بی ڈی او چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے بیرونی آڈیٹرز کے طور پر کام کرنے پر آمادگی ظاہر کی ہے۔

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،

Mansoor Mushtaq

منظر مشتاق

ڈائریکٹر

25 ستمبر 2024

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

25 ستمبر 2024

ڈائریکٹرز رپورٹ

m. بورڈ آف ڈائریکٹرز کے اجلاس میں شرکت کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ ذیل میں سال ختمہ 30 جون 2024 کے دوران منعقدہ کمیٹی کے اجلاسوں کی تفصیلات درج ہیں۔

1. آڈٹ کمیٹی کا اجلاس۔

سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر شریک کی حاضری حسب ذیل ہے۔

ملاقاتوں کی تعداد	ملاقاتوں کی تعداد	منعقد ہونے والی	ملاقاتوں کی تعداد	افراد کے نام
مطلوبہ حاضری	حاضری	منظور شدہ رخصت		
4	4	0	4	1 سید سادیل میکل حسین
4	4	0	4	2 جناب احمد جہانگیر
4	4	0	4	3 جناب منظر مشتاق

2۔ ہیومن ریسورس اینڈ ریمونریشن کمیٹی کا اجلاس۔

سال کے دوران ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے دو (2) اجلاس ہوئے۔ ہر شریک کی حاضری حسب ذیل ہے۔

ملاقاتوں کی تعداد	ملاقاتوں کی تعداد	منعقد ہونے والی	ملاقاتوں کی تعداد	افراد کے نام
مطلوبہ حاضری	حاضری	منظور شدہ رخصت		
2	2	-	2	1 جناب فہد کمال چنائے
2	2	-	2	2 جناب شعیب ممتاز
2	1	1	2	3 جناب احمد جہانگیر
2	1	1	2	4 محترمہ ماورا عادل خان

n. فنڈ کے یونٹس میں تجارت سال کے دوران ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانشل آفیسر،

معقول اور محتاط اندازوں پر مبنی ہیں؛

d. بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، نان بینکنگ فنانس کمپنیز (اسٹیمپلشمنٹ اینڈ ریگولیشنز) رولز، 2003، نان بینکنگ فنانس کمپنیز اینڈ ٹیلیفونیکیشن 2008، متعلقہ ٹرسٹ ڈیڈز کے تقاضے اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے۔

e. اندرونی کنٹرول کا نظام مستحکم خطوط پر اسٹوار ہے اور اسے مزید بہتر بنانے کے لیے جاری کوششوں کے ساتھ موثر طریقے سے نافذ اور نگرانی کی گئی ہے۔

f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں قسم کے کوئی شبہات نہیں ہیں۔

g. اسٹنگ ریگولیشن میں واضح کردہ کارپوریٹ گورننس کی بہترین رہایات سے کوئی قابل ذکر انحراف نہیں ہوا ہے۔

h. واجب الادائیکس، قانونی چارجز اور ڈیویڈنڈ، اگر کوئی ہیں، مکمل طور پر آڈٹ شدہ مالیاتی گوشواروں میں ظاہر کیے گئے ہیں۔

i. پراویڈنٹ/گریجویٹ اور پنشن فنڈ کی سرمایہ کاری کی قدر کا بیان فنڈ پر لاگو نہیں ہوتا لیکن مینجمنٹ کمپنی پر لاگو ہوتا ہے۔ اس لیے ڈائریکٹرز کی رپورٹ میں کوئی انکشاف نہیں کیا گیا ہے۔

j. 30 جون 2024 تک، کمپنی ڈائریکٹرز کے تربیتی پروگرام کے تقاضوں کی تعمیل کر رہی ہے، جیسا کہ کود کے ریگولیشن نمبر 20 میں موجود ہے۔

k. 30 جون 2024 تک حصص یافتگی کا تفصیلی نمونہ منسلک ہے۔

l. بورڈ کی اپنی کارکردگی، بورڈ کے اراکین اور بورڈ کی کمیٹیوں کی سالانہ جانچ کے لیے ایک باضابطہ اور موثر نظام نافذ کیا گیا ہے۔

ڈائریکٹرز رپورٹ

مندرجہ بالا تفصیلات درج ذیل ہیں:

سیریل نمبر	نام	حیثیت	دیگر بورڈ کمیٹیوں میں رکنیت
1	بارون رشید صاحب	ٹان ایگزیکٹو ڈائریکٹر	کوئی نہیں
2	جناب شعیب ممتاز	ٹان ایگزیکٹو ڈائریکٹر	* ایچ آر اینڈ آر کمیٹی
3	جناب احمد جہانگیر	ٹان ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی آڈٹ کمیٹی
4	جناب منظر مشتاق	ٹان ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5	سید سادیل میکل حسین	خود مختار ڈائریکٹر	آڈٹ کمیٹی (چیرمین)
6	جناب فہد کمال چنائے	خود مختار ڈائریکٹر	آڈٹ کمیٹی (چیرمین)
7	محترمہ ماورا عادل خان	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی
8	جناب خواجہ خلیل شاہ	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی

* ایچ آر اینڈ آر کا مطلب ہیومن ریسورس اور معاوضہ ہے۔

انتظامیہ کارپوریٹ گورننس کے ضابطہ میں متعین بہترین طریقوں کی دفعات کی تعمیل جاری رکھے ہوئے ہے۔ فنڈ پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے لیے پرعزم ہے، جس میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی واضح وضاحت کی گئی ہے۔

بورڈ آف ڈائریکٹرز کو یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ:

a. مالیاتی بیانات کمپنی کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کے آمد و رفت اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

b. فنڈ کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں۔

c. مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا باقاعدگی کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ

معاهدے کے بعد آمد کا امکان ہے۔ اس مدت کے دوران نسبتاً زیادہ شرح سود مئی مارکیٹ کے فنڈز میں مسلسل بہاؤ کی حوصلہ افزائی کرے گی کیونکہ یہ مختصر مدت کے افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔ ہمارے کام بغیر کسی رکاوٹ کے رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

مینجمنٹ کمپنی

18 اپریل 2023 کو ایم سی بی-عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ (MCB-AH) کی parent کمپنی ایم سی بی بینک (MCB) نے عارف حبیب کارپوریشن لمیٹڈ (AHCL) سے ایم سی بی-عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ کے 21,664,167 (30.09 فیصد) حصص حاصل کر لیے ہیں۔ اس پیش رفت کے بعد MCB کی MCB-AH میں حصص یا فکلی 36,956,935 (81.42 فیصد) ہو گئی ہے اور AHCL اب MCB-AH میں حصص کا حامل نہیں ہے۔

نتیجاً، کمپنی کے اراکین نے 07 جولائی 2023 کو منعقدہ ایک غیر معمولی جنرل میٹنگ (EOGM) میں خصوصی قرارداد کے ذریعے فیصلہ کیا کہ کمپنی کا نام ایم سی بی-عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ سے ایم سی بی اینویسٹمنٹ مینجمنٹ لمیٹڈ میں تبدیل کر دیا جائے اور سکیورٹیز ایکچینج کمیشن آف پاکستان (SECP) نے 15 اگست 2023 کو نام میں تبدیلی کی منظوری دے دی ہے۔

کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو نافذ کرنے کے لیے پرعزم ہے۔ بورڈ آف (8) اراکین پر مشتمل ہے جس میں چیف ایگزیکٹو آفیسر (CEO) شامل ہیں اور اس میں صنف اور علم کا متنوع امتزاج ہے۔ بورڈ (1) خاتون اور (7) حضرات ڈائریکٹرز پر مشتمل ہے، جن کی درجہ بندی درج ذیل ہے:

4. نان-ایگزیکٹو ڈائریکٹرز؛

3. خود مختار ڈائریکٹرز؛ اور

1. ایگزیکٹو ڈائریکٹر (CEO)۔

کیپٹل مارکیٹ کے نقطہ نظر سے خاص طور پر ایکویٹیز، مارکیٹ اب بھی سستی قیمتوں پر ٹریڈ کر رہی ہے۔ مارکیٹ کیپ ٹو جی ڈی پی کا تناسب 9.8 فیصد پر ہے، جو اس کی تاریخی اوسط 18.9 فیصد سے 48 فیصد کی چھوٹ ہے۔ اسی طرح، ارنگ پیبلڈ مائنس رسک فری ریٹ 7.2 فیصد کے قریب ہے، جو کہ 3.0 فیصد کی تاریخی اوسط کے مقابلے میں ایک گہری رعایت کی نشاندہی کرتا ہے جس پر مارکیٹ ٹریڈ کر رہی ہے۔ بیرونی اکاؤنٹ پر چیلنجز کا حل مارکیٹ کی صلاحیت کو کھولنے میں مدد کرے گا۔ ہمیں یقین ہے کہ سیکٹرز اور اسٹاکس کا ایک مائیکرو ویو اہم رہے گا اور سرمایہ کاری کے انتخاب کو ان کمپنیوں پر توجہ مرکوز کرنی چاہیے، جو اپنی اصل قیمت پر گہری رعایت پر تجارت کرتی ہیں۔ مارکیٹ فی الحال 4.7x PER کے پر ٹریڈ کر رہی ہے، جبکہ 11.2 فیصد کی منافع بخش پیداوار پیش کر رہی ہے۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر پالیسی کی شرحوں کی بغیر کسی رکاوٹ کے آئینہ دار ہوتے رہیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈز سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدت سود کی شرح کے نقطہ نظر کے تناظر میں سرمائے میں اضافے کے مواقع پیدا کرے گی۔ ہم نے انکم فنڈز میں سرکاری بانڈز شامل کیے ہیں تاکہ قریب کی مدت میں متوقع مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے مالی سال 2024 کے دوران تقریباً 64.6 فیصد بڑھ کر 2,574 بلین روپے ہو گئے۔ جون 2023 کے بعد سے کل منی مارکیٹ فنڈز میں تقریباً 45.0 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز نے 33.0 فیصد اضافے سے بڑھ کر 629 PKR بلین ہو گئے جبکہ اسلامک فنڈز 58.2 فیصد بڑھ کر 679 PKR بلین ہو گئے۔ اس کے علاوہ، کل فیکسڈ انکم فنڈز جون 2023 سے تقریباً 104.7 فیصد بڑھ کر 756 PKR بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 52.3 فیصد اضافے سے 255 PKR بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 50.8 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم فنڈز 37.3% کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلق فنڈز کا حصہ 9.9 فیصد کے ساتھ 30 جون 2024 کا اختتام ہوا۔

میوچل فنڈ انڈسٹری آؤٹ لک

سود کی شرح میں کمی کی وجہ سے بانڈز اور ایکویٹیز دونوں اگلے سال میں اچھی کارکردگی کا مظاہرہ کریں گے۔ سال کے دوران، انکم فنڈز میں سرمایہ کاروں کی نمایاں دلچسپی پہلے ہی نظر آ رہی ہے جبکہ ایکویٹی فنڈز میں آئی ایم ایف کے نئے

30 جون 2023 اور پنگ میٹ اٹھ (NAV) کی قیمت فی یونٹ 65.3123 روپے تھی جب کہ 30 جون 2024 کو یہ فی یونٹ 112.0957 روپے رہی جو 46.7834 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی گزشتہ سال کی مایوس کن کارکردگی جہاں جی ڈی پی میں صرف 2.4 فیصد اضافہ ہوا تھا اس سال FY24 میں 3.5 فیصد تک واپس آنے کی توقع ہے۔ گزشتہ سال 1.2 فیصد کے مقابلے میں 4.0 فیصد کی متوقع نمو کے ساتھ صنعتی پیداوار کے لیے آؤٹ لک نسبتاً پر امید ہے۔ معاشی استحکام، مستحکم کرنسی اور شرح سود میں کمی سے صنعتی اور سروس سیکٹر کی نمو کو بحال کرنے میں مدد ملے گی۔ اعلیٰ بنیاد کے اثر کی وجہ سے زراعت کی کارکردگی ٹھیک طرف رہنے کا امکان ہے۔

پاکستان اور انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے درمیان عملے کی سطح پر قرض کا نیا معاہدہ طے پا گیا ہے جس کے تحت ملک کو 37 ماہ کے دوران 7.0 بلین امریکی ڈالر ملیں گے۔ قرض کی حتمی منظوری آئی ایم ایف کا ایگزیکٹو بورڈ دے گا۔ آئی ایم ایف پروگرام کا کامیاب تسلسل ایک اہم مثبت ہے کیونکہ یہ ہمیں دوطرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دے گا۔ تاہم، قرضوں کے اخراج اور بین الاقوامی یورو بانڈ یا سکوک کے ذریعے فنڈز اکٹھا کرنے میں ہماری ناکامی کی وجہ سے ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے۔ اس طرح، ہم بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرٹ اکاؤنٹ چلاتے رہیں گے۔ ہمیں مالی سال 25 میں 1.0 USD بلین (GDP کا 0.2%) کی CAD کی توقع ہے کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔

PKR USD کے مستحکم رہنے کی توقع ہے کیونکہ حکومت برآمدات اور ترسیلات زر میں بحالی کی پشت پر کرٹ اکاؤنٹ خسارے کو بہتر بنانے پر توجہ دے رہی ہے۔ آئی ایم ایف کے نئے پروگرام میں داخلے سے بیرونی فنڈنگ کی نمائش میں بھی اضافہ ہوگا۔ ہمیں توقع ہے کہ PKR/USD مالی سال کو 311 PKR پر بند کرے گا۔

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ جون 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین سطح کے مقابلے میں 12.6 فیصد تک پہنچ گئی۔ بنیادی افراط زر میں بھی نمایاں کمی درج کی گئی، جو 14.1 فیصد پر پہنچ گئی جو کہ 23 ماہ کی کم ترین سطح ہے۔ 1HFY25 میں افراط زر کی ریڈنگ سنگل ہندسوں تک گرنے کی توقع ہے۔ افراط زر کے رجحانات، بیرونی اور مالیاتی پوزیشن کو مد نظر رکھتے ہوئے ہم توقع کرتے ہیں کہ 25 جون تک شرح سود 14-15 فیصد تک گر جائے گی۔

ایم ایف پروگرام میں داخل ہونے کے ارادے سے جذبات میں مزید اضافہ ہوا۔ آخر میں، کرنسی کی اسمگلنگ اور ذخیرہ اندوزی کے خلاف کریک ڈاؤن کے بعد مقامی کرنسی کی طاقت، مضبوط کارپوریٹ منافع، بجٹ FY25 میں دیگر اثاثہ جات پر ٹیکسوں میں اضافہ اور 150bps کی کٹوتی کے ساتھ مالیاتی نرمی کا آغاز، سبھی نے پائیدار رہلی میں حصہ ڈالا۔

مالی سال 24 کے دوران، غیر ملکی سرمایہ کار، انشورنس، اور کارپوریٹس بالترتیب 141 USD ملین، 126 USD ملین اور 36 USD ملین کے خالص خریدار تھے۔ جبکہ بینکوں اور میوچل فنڈز سے بالترتیب 141 USD ملین اور 48 USD ملین کی بڑی فروخت دیکھی گئی۔

FY24 کے دوران KSE-ALL INDEX کے لیے اوسط تجارتی حجم میں گزشتہ سال کی اسی مدت میں تقریباً 191 ملین شیئرز کے مقابلے میں 140.4 فیصد اضافے سے 461 پر جا پہنچی۔ اسی طرح، اس مدت کے دوران اوسط تجارتی قدر میں پچھلے سال کے مقابلے میں 118.5 فیصد اضافہ ہوا جو 55 ملین امریکی ڈالر کے قریب پہنچ گیا۔

بینکنگ، فریڈلائٹر، اور ای اینڈ پی سیکٹر انڈیکس کے اضافے میں بالترتیب 13,262 / 5,074 / 4,300 پوائنٹس کا اضافہ کرنے والے اہم شراکت دار تھے۔ بینکنگ سیکٹر میں وسیع الہیاد رہلی دیکھنے میں آئی کیونکہ آئی ایم ایف پروگرام میں داخلے نے مضبوط منافع کے علاوہ مقامی قرضوں کی تنظیم نو کے امکانات کو کم کر دیا۔ کھاد کے شعبے نے متوقع منافع سے بہتر کارکردگی کا مظاہرہ کیا جبکہ گیس سرکیور ڈیٹ کی منظوری کی خبروں کی وجہ سے ای اینڈ پی میں تیزی آئی، جس سے سیکٹر کیش فلو میں بہتری آئے گی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 75.43 فیصد کے شیئ مارک ریٹرن کے مقابلے میں 80.64 فیصد کار ریٹرن دیا۔ ایکویٹی کے محاذ پر، زیر جائزہ مدت کے اختتام پر مجموعی مختص 86.9 فیصد تھی۔ اس مدت کے دوران فنڈ کی سرمایہ کاری بنیادی طور پر سیمنٹ، کمرشل بینکوں اور ٹیل اور گیس تلاش کرنے والی کمپنیوں میں کی گئی۔ باقی 12.2 فیصد فنڈ کیش میں لگایا گیا۔

30 جون 2023 تک فنڈ کے خالص اثاثے 1,289 ملین روپے تھے جب کہ 30 جون 2024 کو یہ 1,487 ملین روپے رہے جو 15.36 فیصد کے اضافے کو ظاہر کرتے ہیں۔

مقابلے میں ملک کی بیرونی صورتحال میں بہتری کو ظاہر کرتے ہیں۔ یہ آئی ایم ایف، دوست ممالک اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے تھا۔

مالی سال 2024 کے دوران CPI کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 23.9 فیصد رہی جو گزشتہ سال 29.0 فیصد تھی۔ افراط زر کی شرح بلندی پر رہی کیونکہ سابقہ ادوار میں کرنسی کی قدر میں زبردست کمی کی وجہ سے توانائی اور خوراک کی قیمتوں میں اضافہ ہوا۔ حکومت نے آئی ایم ایف کی شرائط پر عمل کرنے کے لیے بجلی کے بنیادی میٹریف اور گیس کی قیمتوں میں بھی اضافہ کیا، جس سے مہنگائی کا دباؤ مزید بڑھ گیا۔ اسٹیٹ بینک نے 10 جون 2024 کو منعقدہ سال کی آخری مانیٹری پالیسی میں پالیسی ریٹ کو 150bps سے کم کر کے 20.5 فیصد کر دیا۔ مانیٹری پالیسی نے افراط زر میں نمایاں کمی کو نوٹ کیا، جس کے نتیجے میں کافی حد تک مثبت حقیقی سود کی شرح ہوئی، جو مانیٹری سائیکل شروع کرنے کا جواز فراہم کرتی ہے۔

مالی سال 2023-24 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے میں 2.4 فیصد اضافہ ہوا۔ زراعت میں 6.3 فیصد اضافہ ہوا، خدمات اور صنعتی شعبے میں ہر ایک میں 1.2 فیصد کا معمولی اضافہ ہوا۔ دبے ہوئے صنعتی اور خدمات کی پیداوار کے پیچھے سیاسی غیر یقینی صورتحال کے ساتھ تاریخی بلند شرح سود سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR ٹیکس وصولی مالی سال 24 میں 29.6 فیصد بڑھ کر 9,285 بلین روپے تک پہنچ گئی، جس سے ہدف میں 130 بلین روپے کی معمولی کمی واقع ہوئی۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں اسٹاک مارکیٹ میں جوش و خروش دیکھا گیا، کیونکہ بینچ مارک KSE-100 حیرت انگیز طور پر 89.2 فیصد یا 36,992 پوائنٹس کے اضافے سے 78,445 پوائنٹس کی بلند ترین سطح پر بند ہوا۔ یہ پاکستان کو سال میں 94.4 فیصد امریکی ڈالر کی واپسی کے ساتھ دنیا کی بہترین کارکردگی کا مظاہرہ کرنے والی مارکیٹ بھی بناتا ہے۔

پاکستان کے نئے آئی ایم ایف پروگرام میں داخل ہونے کے بعد میکرو اکنامک اشاریوں میں بہتری کی وجہ سے تیزی کی رفتار سال بھر جاری رہی۔ مارکیٹ کے شرکاء نے SBA کے تحت IMF کے تمام جائزوں کی کامیاب تکمیل پر بھی خوشی کا اظہار کیا۔ مزید برآں، فروری 2024 میں انتخابات کے کامیاب اختتام نے سرمایہ کاروں کے درمیان طویل واضح وضاحت کی۔ مزید برآں، موجودہ حکومت کی طرف سے ڈھانچہ جاتی اصلاحات جاری رکھنے کی تصدیق کے ساتھ ساتھ ایک طویل آئی

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے مجھے الحمد للہ اسلامک ایسٹ ایلوکیشن فنڈ کے 30 جون 2024 کو ختم ہونے والے سال کے اکاؤنٹس کا جائزہ پیش کرنے پر خوشی ہے۔

معیشت کا جائزہ

مالی سال 2024 پاکستان کے لیے میکرو اکنامک بحالی کا ایک دور تھا، جس نے مسلسل معاشی بدانتظامی کی وجہ سے ہونے والے ڈیفالٹ کو روک دیا۔ یہ تبدیلی بنیادی طور پر پاکستان کے کئی ماہ کی تاخیر کے بعد آئی ایم ایف کے نئے پروگرام میں داخل ہونے کی وجہ سے تھی۔ حکومت نے 23 جون میں IMF سے 3.0 USD بلین کی انتہائی ضروری اسٹینڈ بائی آرینجمنٹ (SBA) کی سہولت حاصل کی، اور دوست ممالک سے بروقت رول اوور حاصل کرنے میں کامیاب ہوئی۔ اس نے آئی ایم ایف کے اہداف کی تعمیل کرنے کے لیے غیر متزلزل عزم کا بھی اظہار کیا اور اس کے نتیجے میں حکومت نے اس پروگرام کو کامیابی سے مکمل کر لیا۔

نگراں حکومت نے اگست 2023 میں اقتدار سنبھالا اور فوری طور پر کرنسی پر قیاس آرائی کے دباؤ کا سامنا کرنا پڑا، جس کی وجہ سے یہ انٹرینک مارکیٹ میں 307 کی بلند ترین سطح پر پہنچ گئی۔ غیر رسمی مارکیٹ میں زر مبادلہ کی شرح 330 USD / PKR کے قریب پہنچ گئی جو قیاس آرائیوں کی سرگرمیوں میں اضافے اور غیر یقینی کی صورتحال کی عکاسی کرتی ہے۔ حکومت نے ستمبر 2023 میں ڈالر کی اسمگلنگ، افغان ٹرانزٹ کے غلط استعمال اور غیر قانونی کرنسی ڈیلرز کے خلاف فیصلہ کن اقدامات کیے، جس سے شرح مبادلہ میں تیزی سے بحالی ہوئی۔ اس سے اعتماد کو بہتر بنانے میں مدد ملی اور اوپن اور انٹرینک ریٹ میں اسپرڈ کو کم کیا گیا۔ حکام نے مجموعی بیرونی توازن کو منظم کرنے کے لیے شرح مبادلہ کی ادائیگیوں کی سختی سے نگرانی کرنے کے لیے میکانزم بھی بنائے۔ انتظامیہ کے اقدامات اور بیرونی اور مالی کھاتوں کے نظم و ضبط کے اقدامات دونوں کے امتزاج نے مجموعی استحکام کو بحال کرنے میں مدد کی۔ PKR USD سال کے آغاز سے 2.6 فیصد اضافے کے ساتھ 278.3 پر سال کا اختتام ہوا۔

ملک نے مالی سال 2024 (11MFY24) کے پہلے گیارہ مہینوں میں 464 بلین امریکی ڈالر کا کرنٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جو گزشتہ سال کی اسی مدت میں 3.8 USD بلین کے خسارے کے مقابلے میں 88 فیصد کم ہے۔ تجارتی خسارہ کم ہوتا CAD کو بہتر بنانے میں اہم کردار ادا کرنے والا تھا کیونکہ برآمدات میں 11.3 فیصد اضافہ اور درآمدات میں 2.3 فیصد کمی سے تجارتی خسارے میں 17.0 فیصد کمی واقع ہوئی۔ جون 2024 تک اسٹیٹ بینک کے زرمبادلہ کے ذخائر بڑھ کر 9.4 بلین امریکی ڈالر ہو گئے جو کہ گزشتہ مالی سال کے اختتام پر 4.4 بلین امریکی ڈالر کے

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Fund Type and Category

Alhamra Islamic Asset Allocation Fund (ALHAA) is an Open-End Shariah Compliant Asset Allocation Scheme.

Fund Benchmark

The benchmark for ALHAA is KMI-30 Index and Six (6) months average deposit rates of three (3) A rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP on the basis of actual proportion held by the Scheme.

Investment Objective

The objective of the fund is to provide medium to long term capital appreciation through investing in Shariah compliant investments in Pakistan and Internationally.

Investment Strategy

Alhamra Islamic Asset Allocation Fund (ALHAA) is an open-end asset allocation fund which seeks to achieve its objective through investing in a portfolio of Shariah compliant investments diversified across the capital markets of Pakistan as well as keeping a limited exposure internationally. The Fund is managed through an active management strategy with dynamic allocation towards different asset classes. The investment process is driven by fundamental research. The domestic portfolio of the Fund primarily invests in fundamentally strong Shariah compliant equities, high quality Sukuks and other Shariah compliant instruments. For equities, fundamental outlook of sectors/companies and DCF (Discounted Cash Flow) valuations are the primary factors in sectors' allocation and stock selection. Major portion of the Fund's portfolio is high quality liquid stocks.

Manager's Review

During the period under review, the fund delivered a return of 80.64% as against its benchmark return of 75.43%.

The overall allocation was 86.9% at the end of the period under review. The fund was mainly invested in Oil & Gas Exploration Companies, Cement and Commercial Banks during the period. Fund was invested 12.2% in cash.

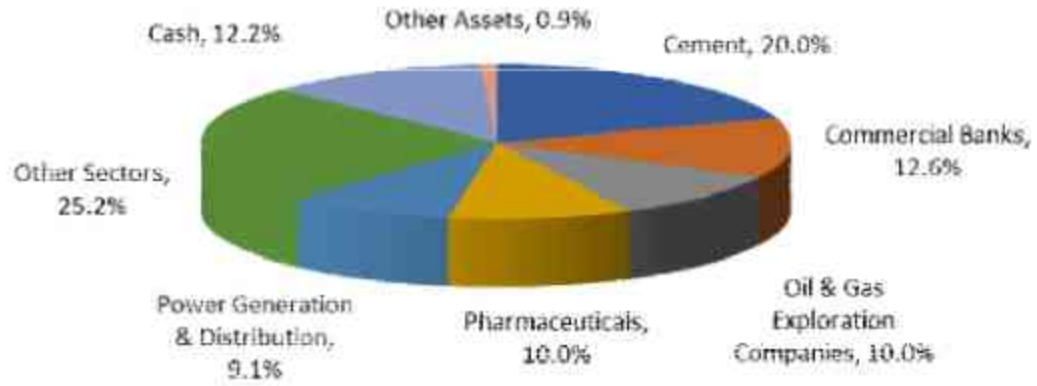
The Net Assets of the Fund as at June 30, 2024 stood at Rs. 1,487 million as compared to Rs. 1,289 million as at June 30, 2023 registering an increase of 15.4%. The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 112.0957 as compared to opening NAV of Rs. 65.3123 per unit as at June 30, 2023 registering an increase of Rs. 46.7834 per unit.

Asset Allocation as of June 30, 2024 (%age of Total Assets)

Asset Allocation (%age of Total Assets)	Jun-24
Cash	12.2%
Others including receivables	0.9%
Stocks / Equities	86.9%

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Asset Allocation as on June 30, 2024 (% of total assets)



Syed Abid Ali
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

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S.M.C.H.S., Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
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TRUSTEE REPORT TO THE UNIT HOLDERS

ALHAMRA ISLAMIC ASSET ALLOCATION FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Islamic Asset Allocation Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 5, 2024



REPORT OF THE SHARIAH ADVISORY BOARD

Karachi: September 23, 2024

REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of the Alhamra Islamic Asset Allocation Fund (the Fund), are issuing this report in accordance with the Offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Investment Management Limited, the management company of the fund, to establish and maintain a system of internal controls to ensure compliance with Shariah guidelines. Our responsibility is to express an opinion, based on our review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, we hereby certify that:

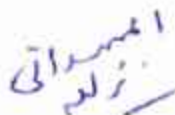
- We have reviewed and approved the modes of investment of Alhamra Islamic Asset Allocation Fund (ALHAA) in the light of the Shariah guidelines.
- All the provisions of the scheme and investments made on account of ALHAA by Management Company are Shariah Compliant and in accordance with the criteria established.
- On the basis of information provided by the Management Company, all the operations of ALHAA for the year ended June 30, 2024 have been in compliance with Shariah principles.

During the year an amount of Rupees 1,626,961 was recorded as charity expense. The total amount of charity payable as at 30 June 2024 amounts to Rs.1,626,961.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes.



Dr Muhammad Zubair Usmani
(Shariah Advisor)



Dr Ejaz Ahmed Samadani
(Shariah Advisor)

For and on behalf of Shariah Advisory Board

SHARIAH COMPLIANCE AUDITOR'S REPORT TO THE UNIT HOLDERS



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Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alhamra Islamic Asset Allocation Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alhamra Islamic Asset Allocation Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

A member of UHY International, a network of independent accounting and consulting firms.

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MEMBER OF THE
FORUM OF FIRMS



4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.


UHY Hassan Naeem & Co.
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 27, 2024

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF ALHAMRA ISLAMIC ASSET ALLOCATION FUND

Opinion

We have audited the financial statements of Alhamra Islamic Asset Allocation Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. Those matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S.No	Key audit matter(s)	How the matter was addressed in our audit
1.	Existence and valuation of investments As disclosed in note 5 to the accompanying financial statements of the fund for the year ended June 30, 2024, the investments held by the Fund comprised of equity instruments amounting to Rs. 1,307,936 million which represent 88% of the Net Assets Value (NAV) of the Fund. As these investments represent a significant element of the statement of assets and liabilities, any discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated.	Our audit procedures included the following: <ul style="list-style-type: none">We evaluated the design and implementation of key controls over investment, and tested controls over acquisition, disposals and periodic valuation of investments portfolio.We performed substantive audit procedures on year-end balance of equity instruments including review of custodian's statement, related reconciliations and re-performance of valuation based on share prices from the Pakistan Stock Exchange (PSX).

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BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



S.NO	Key audit matter(s)	How the matter was addressed in our audit
	In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.	<ul style="list-style-type: none">• We assessed the Fund's compliance with the Non-Banking Finance Companies and Notified Entities Regulations, 2006 (the NBFC Regulations) in relation to the investment concentration and exposure limits.• We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

Information other than the financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Company and its Board of Directors

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFRC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2006 (the NBFC Regulations) and accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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BDO Ebrahim & Co. Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the NBFC rules, the NBFC Regulations and the Trust Deed.

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Other Matter

The financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of Chartered Accountants, who expressed an unmodified opinion thereon vide their report dated September 22, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 03 OCT 2024

UDIN: AR202410166TJcxNpjBL


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

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BDO Ebrahim & Co. Chartered Accountants

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**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2024**

	Note	2024	2023
		—— (Rupees in '000) ——	
ASSETS			
Balances with banks	5	183,801	187,605
Investments	6	1,307,936	1,113,544
Profit and other receivables	7	3,229	3,028
Advances and deposits	8	3,906	3,906
Receivable against sale of investments		5,930	10,168
Total assets		<u>1,504,802</u>	<u>1,318,251</u>
LIABILITIES			
Payable to the MCB Investment Management Limited - Management Company	9	5,739	4,163
Payable to Central Depository Company of Pakistan Limited - Trustee	10	234	213
Payable to the Securities and Exchange Commission of Pakistan	11	119	302
Payable against purchase of investments		-	12,903
Accrued and other liabilities	12	11,510	11,718
Total liabilities		<u>17,602</u>	<u>29,299</u>
NET ASSETS		<u>1,487,200</u>	<u>1,288,952</u>
Unit holders' fund (as per statement attached)		<u>1,487,200</u>	<u>1,288,952</u>
Contingencies and commitments	13		
		—— (Number of units) ——	
NUMBER OF UNITS IN ISSUE	14	<u>13,267,241</u>	<u>19,735,214</u>
		—— (Rupees) ——	
NET ASSET VALUE PER UNIT	4.9	<u>112.0957</u>	<u>65.3123</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

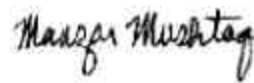
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		— (Rupees in '000) —	
INCOME			
Capital gain on sale of investments - net		366,580	9,495
Dividend income		79,191	87,374
Profit on bank deposits		29,255	39,331
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets at fair value through profit or loss - net	6.1.2	424,074	(34,475)
Total income		899,100	101,725
EXPENSES			
Remuneration of MCB Investment Management Limited - Management Company	9.1	44,475	49,896
Sindh sales tax on remuneration of the Management Company	9.2	5,782	6,486
Allocated expenses	9.3	1,233	1,512
Selling and marketing expenses	9.4	3,900	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	2,428	2,512
Sindh sales tax on remuneration of the Trustee	10.2	317	325
Annual fee to the Securities and Exchange Commission of Pakistan	11	1,357	302
Auditors' remuneration	15	729	877
Brokerage, settlement and bank charges		4,906	6,275
Fees and subscription		-	28
Legal and professional charges		191	174
Shariah advisory fee		490	710
Printing and related costs		34	40
Donation / charity		1,627	3,170
Total expenses		(67,469)	(72,307)
Net income for the year before taxation		831,631	29,418
Taxation	16	-	-
Net income for the year after taxation		831,631	29,418
Earnings per unit	17		
Allocation of net income for the year:			
Net income after taxation		831,631	29,418
Income already paid on units redeemed		(188,906)	(734)
		642,725	28,684
Accounting income available for distribution:			
- Relating to capital gains		610,389	-
- Excluding capital gains		32,336	28,684
		642,725	28,684

The annexed notes from 1 to 31 form an integral part of these financial statements.

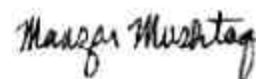
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024**

	2024 —— (Rupees in '000) ——	2023 —— (Rupees in '000) ——
Net income for the year after taxation	831,631	29,418
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>831,631</u>	<u>29,418</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

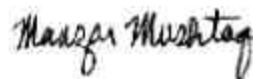
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	2024			2023		
	Capital value	(Accumulated loss) / undistributed income	Total	Capital value	(Accumulated loss) / undistributed income	Total
(Rupees in '000)						
Net assets at beginning of the year	1,490,820	(201,869)	1,288,951	1,919,624	(230,553)	1,689,071
Issuance of 2,803,284 (2023: 6,611,506) units						
- Capital value	179,069	-	179,069	425,733	-	425,733
- Element of income/ (loss)	76,887	-	76,887	(3,818)	-	(3,818)
	255,956	-	255,956	421,915	-	421,915
Redemption of 9,271,257 (2023: 13,107,076) units						
- Capital value	(592,231)	-	(592,231)	(844,001)	-	(844,001)
- Element of income	(37,728)	(188,906)	(226,634)	(6,718)	(734)	(7,452)
	(629,959)	(188,906)	(818,865)	(850,719)	(734)	(851,452)
Total comprehensive income for the year	-	831,631	831,631	-	29,418	29,418
Distribution during the year	(29,938)	(40,535)	(70,473)	-	-	-
Net income for the year less distribution	(29,938)	791,096	761,158	-	29,418	29,418
Net assets at the end of the year	1,086,879	400,321	1,487,200	1,490,820	(201,869)	1,288,951
Accumulated loss brought forward comprising of:						
- Realised		(167,394)			(27,389)	
- Unrealised		(34,475)			(203,164)	
		(201,869)			(230,553)	
Accounting income available for distribution:						
- Relating to capital gains		610,389			-	
- Excluding capital gains		32,336			28,684	
		642,725			28,684	
Income distributed during the year		(40,535)			-	
Undistributed income/ (Accumulated loss) carried forward		400,321			(201,869)	
Undistributed income / (Accumulated loss) carried forward comprising of:						
- Realised		(23,753)			(167,394)	
- Unrealised		424,074			(34,475)	
		400,321			(201,869)	
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year		65.3123			64.3927	
Net asset value per unit at the end of the year		112.0957			65.3123	

The annexed notes from 1 to 31 form an integral part of these financial statements.

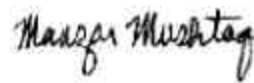
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	2024 — (Rupees in '000) —	2023
Note		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	831,631	29,418
Adjustments for:		
Dividend income	(79,191)	(87,374)
Unrealised (appreciation)/ diminution on remeasurement of investments classified as financial assets at fair value through profit or loss - net	(424,073)	34,475
	<u>328,367</u>	<u>(23,481)</u>
Decrease in assets		
Investments - net	229,681	222,494
Profit and other receivables	(201)	1,603
Advances and deposits	-	(1)
Receivable against sale of investments	4,238	11,777
	<u>233,718</u>	<u>235,873</u>
Decrease in liabilities		
Payable to MCB Investment Management Limited - Management Company	1,576	(1,910)
Payable to Central Depository Company of Pakistan Limited - Trustee	21	(40)
Payable to the Securities and Exchange Commission of Pakistan	(183)	(127)
Payable against purchase of investments	(12,903)	(4,619)
Accrued and other liabilities	(209)	(428)
	<u>(11,698)</u>	<u>(7,124)</u>
Dividend received	79,191	87,374
Net cash generated from operating activities	<u>629,578</u>	<u>292,642</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	255,956	421,915
Payments on redemption of units	(818,865)	(851,452)
Dividend paid during the year	(70,473)	-
Net cash used in financing activities	<u>(633,382)</u>	<u>(429,537)</u>
Net decrease in cash and cash equivalents during the year	<u>(3,804)</u>	<u>(136,895)</u>
Cash and cash equivalents at beginning of the year	187,605	324,500
Cash and cash equivalents at end of the year	18 <u>183,801</u>	<u>187,605</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

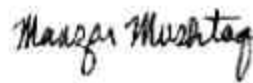
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed executed between MCB Investment Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 14, 2005 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC rules). The Fund are required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on August 13, 2021 the Trust Deed of the fund had been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, LI Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in shariah compliant investments in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah compliant Islamic Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.4 In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investment Management Limited.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2023 to the Management Company.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards comprise of:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC rules), the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation and the requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, unless stated otherwise.

These financial statements have been prepared under accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

2.4 Significant accounting estimates and judgements

The preparation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Classification and valuation of investments

For details please refer notes 4.2.1.1 to these financial statements.

Impairment of investment

For details please refer notes 4.2.1.2 to these financial statements.

Provision for taxation

For details please refer notes 4.5 and 16 to these financial statements.

Other assets

Judgement is involved in assessing the reliability of other assets balances.

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice Statement 2 Making Materiality Judgements- Disclosure of Accounting Policies	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes	January 01, 2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The Fund adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Fund to provide useful entity-specific accounting policy information that users need to understand other information in the financial

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policy information (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

	Effective date (annual periods beginning on or after)
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
IFRS 17 Insurance Contracts	January 01, 2026
IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).	
IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.	
IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.	
IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.	

4 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied, unless otherwise stated.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets

4.2.1.1.1 Debt instruments

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Initial Measurement

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

4.2.1.1.2 Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

An equity instrument held for trading purposes is classified as measured at FVTPL.

Subsequent Measurement

Debt instruments at amortized cost

After initial measurement, such debt instruments are subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the effective interest rate.

Debt instruments at fair value through profit or loss

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss.

Debt instruments at fair value through other comprehensive income

Financial assets at FVOCI are recorded in the statement of financial position at fair value. Changes in fair value are recorded in other comprehensive income.

On initial recognition, a financial asset is classified as measured at: amortized cost or fair value through profit and loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

4.2.1.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly investment, advances and deposits, dividend and mark-up receivable and bank balances.

4.2.1.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.1.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.2.2 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.3 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.3 Derivatives

Derivative instruments are initially recognized at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognized in the income statement.

4.4 Provisions

Provisions are recognized when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders.

The Fund is also exempt from the Provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least 90% of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.6 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are not recognized before the reporting date.

4.7 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load (if applicable), any duties, taxes, charges on redemption and any provision for transaction costs, if applicable. Redemption of units is recorded on acceptance of application for redemption.

4.8 Element of income

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.9 Net assets value per unit

The Net Assets Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised when the transaction takes place.
- Unrealised appreciation / (diminution) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.
- Income on sukuk certificates, term deposit receipts and government securities is recognized on an accrual basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis.
- Profit on saving accounts with banks is recognized on an accrual basis using the effective yield method.

4.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

4.12 Transactions with related parties / connected persons

Transactions with connected persons are carried in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

	Note	2024 —— (Rupees in '000) ——	2023 —— (Rupees in '000) ——
5 BALANCES WITH BANKS			
In current accounts		2,919	7,247
In savings accounts	5.1	180,882	180,358
	5.2	183,801	187,605
5.1	These carry mark-up at the rates ranging from 17% to 21.30% per annum (2023: 11.05% to 20.25% per annum).		
5.2	These include balances held with related parties of Rs. 2.852 million (2023: Rs. 6.877 million) with MCB Bank Limited and Rs. 153.349 million (2023: Rs. 170.340 million) with MCB Islamic Bank Limited.		
6 INVESTMENTS			
6.1 Investments at fair value through profit or loss			
Listed equity securities	6.1.1	1,307,939	1,113,544
		1,307,939	1,113,544
6.1.1 Listed equity securities			

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

6.1

Listed equity securities - 'at fair value through profit or loss - held-for-trading'

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of the Investee company	Number of shares			Balance as at June 30, 2024			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the Investee company	
	As at July 01, 2023	Purchased during the year	Bonus / Right Issue during the year	Sold during the year	As at June 30, 2024	Carrying value	Market value	Unrealised (loss) / gain		Net assets
***** (Rupees in '000) ***** % *****										
Automobile Assembler										
Pak Suzuki Motors Company Limited	-	55,000	-	55,000	-	-	-	-	-	-
Automobile parts & accessories										
Agriauto Industries Limited***	325	-	-	325	-	-	-	-	-	-
Cable and electrical goods										
Pak Electron Limited	-	733,000	-	-	733,000	19,384	18,112	(1,271)	1.22	1.38
Fast Cables Limited	-	426,799	-	-	426,799	10,435	10,205	(230)	0.69	0.78
						29,819	28,317	(1,502)	1.91	2.16
Cement										
Cherat Cement Company Limited	130,000	82,500	-	212,500	-	-	-	-	-	-
D.G. Khan Cement Company Limited**	700,000	380,200	-	1,080,200	-	-	-	-	-	-
Fajri Cement Company Limited****	8,500,250	625,000	-	6,185,250	2,940,000	34,619	67,355	32,736	4.53	5.15
Gharbwal Cement Ltd	650,000	-	-	650,000	-	-	-	-	-	-
Kohat Cement Company Limited	70,000	-	-	70,000	-	-	-	-	-	-
Lucky Cement Limited	147,500	133,241	-	124,241	156,500	97,400	141,903	44,503	9.54	10.85
Maple Leaf Cement Factory Limited	1,900,000	2,122,009	-	2,297,009	1,725,000	54,388	65,550	11,162	4.41	5.01
Pioneer Cement Limited	-	154,000	-	-	154,000	19,777	25,972	6,195	1.75	1.99
						206,185	300,781	94,596	20.23	23.00
Chemical										
Archroma Pakistan Limited	25,000	7,500	-	-	32,500	15,280	11,375	(3,905)	0.76	0.87
Lucky Core Industries Limited	-	11,000	-	-	11,000	7,285	10,224	2,939	0.69	0.78
						22,565	21,599	(966)	1.45	1.65
Commercial banks										
Meezan Bank Limited*&****	805,000	384,581	-	612,581	577,000	60,372	138,128	77,756	9.29	10.56
Faysal Bank Limited	1,700,000	810,339	-	1,515,339	995,000	23,027	52,178	29,151	3.51	3.99
						83,399	190,306	106,907	12.80	14.55
Engineering										
International Steels Limited	-	422,500	-	422,500	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	250,000	663,000	-	767,290	145,710	8,036	13,551	5,515	0.91	1.04
						8,036	13,551	5,515	0.91	1.04
Balance carried forward						380,004	554,555	204,551		

* Nil figures due to rounding off

** These represent transactions in shares of related parties

*** These have a face value of Rs. 5 per share

**** These represent pledge securities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Name of the investee company	Number of shares				Balance as at June 30, 2024			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2023	Purchased during the year	Bonus / Right Issue during the year	Sold during the year	As at June 30, 2024	Carrying value	Market value	Unrealised (loss) / gain	Net assets	
										%
Balance brought forward						350,004	554,555	204,551		
Fertilizer										
Engro Fertilizer Limited*	700,000	-	-	659,000	41,000	3,384	6,815	3,431	0.46	0.52
Engro Corporation Limited	265,000	-	-	265,000	-	-	-	-	-	-
Fuji Fertilizer Bin Qasim Limited	1,000,000	1,764,830	-	2,257,000	507,830	15,779	18,013	2,234	1.21	1.38
						19,163	24,828	5,665	1.67	1.90
Food and personal care products										
National Foods Limited	180,000	-	-	30,000	150,000	14,760	26,207	11,447	1.76	2.00
At-Takur Limited	400,000	-	-	400,000	-	-	-	-	-	-
The Organic Meat Company Limited	600,006	250,000	-	850,006	-	-	-	-	-	-
						14,760	26,207	11,447	1.76	2.00
Glass & Ceramics										
Shabbir Tiles & Ceramics Limited***	439	1,073,000	-	439	1,073,000	14,554	15,559	1,005	1.05	1.19
Tariq Glass Industries	-	144,488	-	-	144,488	12,738	16,840	4,102	1.13	1.29
						27,292	32,399	5,107	2.18	2.48
Oil and gas exploration companies										
Mari Petroleum Company Limited	46,000	17,850	-	48,635	15,215	24,409	41,268	16,860	2.77	3.16
Oli & Gas Development Company Limited*	750,000	381,334	-	697,434	433,900	41,745	58,737	16,992	3.95	4.49
Pakistan Oilfields Limited	55,000	-	-	55,000	-	-	-	-	-	-
Pakistan Petroleum Limited	600,000	878,000	-	1,040,900	437,100	34,835	51,189	16,353	3.44	3.91
						100,989	151,194	50,205	10.16	11.56
Oil and gas marketing companies										
Attock Petroleum Limited	60,000	-	-	60,000	-	-	-	-	-	-
Pharmaceuticals										
Ferozsons Laboratories Limited*	-	1,000	-	-	1,000	250	249	19	0.02	0.02
AGIP Limited	-	315,000	-	-	315,000	22,702	29,097	6,395	1.96	2.22
Citi Pharma Limited	500,000	340,000	-	-	840,000	20,283	23,940	3,657	1.61	1.83
Abbott Laboratories (Pakistan) Limited	-	13,100	-	-	13,100	6,123	9,602	3,479	0.65	0.73
Glaxosmithkline Pakistan	-	127,383	-	-	127,383	15,738	18,323	2,585	1.23	1.40
Haleon Pakistan Limited	110,000	49,300	-	14,300	145,000	21,666	43,119	21,453	2.90	3.30
Highmoon Laboratories Limited	82,225	8,000	-	53,200	37,025	12,723	26,420	13,698	1.78	2.02
						99,464	150,750	51,286	10.15	11.52
Refinery										
Attock Refinery Limited	-	102,000	-	102,000	-	-	-	-	-	-
Balance carried forward						611,672	930,933	328,261		

* Nil figures due to rounding off

** These represent transactions in shares of related parties

*** These have a face value of Rs. 5 per share

**** These represent pledge securities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Name of the investee company	Number of shares				Balance as at June 30, 2024			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2023	Purchased during the year	Bonus / Right issue during the year	Sold during the year	As at June 30, 2024	Carrying value	Market value	Unrealised (loss) / gain	Net assets	Total Investments
----- (Rupees in '000) ----- % -----										
Balance brought forward						611,672	939,933	328,261		
Power generation and distribution										
Hub Power Company Limited	760,000	566,000	-	636,000	690,000	55,276	112,525	57,249	7.57	8.60
Nishat Chaudhary Power Limited	-	807,400	-	-	807,400	22,350	24,182	1,831	1.63	1.85
						77,627	136,707	59,080	9.20	10.45
Technology and communication										
Systems Limited	180,000	151,200	-	137,200	194,000	79,416	81,150	1,734	5.46	6.20
						79,416	81,150	1,734	5.46	6.20
Textile composite										
Interloop Limited	1,115,000	358,000	-	672,787	800,213	32,728	56,679	23,951	3.81	4.33
Kohinoor Textile Mills Limited	450,650	-	-	450,650	-	-	-	-	-	-
Nishat (Chaudhary) Limited	550,000	-	-	550,000	-	-	-	-	-	-
Nishat Mills Limited**	219,399	625,511	-	324,910	520,000	38,403	36,842	(1,561)	2.48	2.82
						71,131	93,521	22,390	6.29	7.15
Paper And Board										
Century Paper & Board Mills Limited	199,000	-	-	198,000	-	-	-	-	-	-
Packagages Limited	37,244	44,562	-	15,744	66,062	26,220	35,371	9,150	2.38	2.70
						26,220	35,371	9,150	2.38	2.70
Miscellaneous										
Shifa International Hospitals	140,000	31,700	-	26,700	145,000	17,800	21,258	3,459	1.43	1.63
						17,800	21,258	3,459	1.43	1.63
Total as at June 30, 2024						883,865	1,307,939	424,074		
Total as at June 30, 2023						1,148,019	1,113,544	(34,475)		

* Nil figures due to rounding off

** These represent transactions in shares of related parties

*** These have a face value of Rs. 5 per share

**** These represent pledge securities

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

**** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP:

Name of security	2024	2023	2024	2023
	(Number of shares)		(Rupees in '000)	
Meezan Bank Limited	500,000	500,000	119,695	43,185
Fauji Cement Company Limited	2,000,000	2,000,000	45,820	23,520
	<u>2,500,000</u>	<u>2,500,000</u>	<u>165,515</u>	<u>66,705</u>

- 6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. During the year ended June 30, 2020, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

The Finance Act, 2018, effective from July 1, 2018, has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 were not withheld by the investee companies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

As at June 30, 2024, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.033 million (2023: Rs. 0.030 million).

	Note	2024	2023
		———— (Rupees in '000) ————	
6.1.2	Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		
	Market value of investments	1,307,936	1,113,544
	Less: Carrying value of investments	(883,865)	(1,148,019)
	Unrealised appreciation/ (diminution)	<u>424,074</u>	<u>(34,475)</u>
7	PROFIT AND OTHER RECEIVABLES		
	Profit receivable on saving accounts with banks	3,117	2,915
	Other receivable	112	112
		<u>3,229</u>	<u>3,028</u>
8	ADVANCES AND DEPOSITS		
	Security deposits with:		
	- National Clearing Company of Pakistan Limited (NCCPL)	2,500	2,500
	- Central Depository Company of Pakistan Limited (CDC)	200	200
	Advance tax	1,206	1,206
		<u>3,906</u>	<u>3,906</u>

- 8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on dividend and profit on debt paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on dividends and profit on debt has been shown as advance tax under 'Advances and deposits' as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	2024 — (Rupees in '000) —	2023
9	PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		
Management fee payable	9.1	3,927	3,545
Sindh Sales Tax payable on remuneration of the Management Company	9.2	511	461
Allocated expenses payable	9.3	100	107
Selling and marketing expenses payable	9.4	1,171	-
Shariah advisory fee payable		30	50
		5,739	4,163

9.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable limit, the Management Company has charged its remuneration at the rate of 3.13% per annum (2023: 3.3% per annum) of the average daily net assets of the Fund during the year. The remuneration is payable to the Management Company monthly in arrears.

9.2 Sales tax on management remuneration has been charged at the rate of 13%. During the year, an amount of Rs. 5.782 million (2023: Rs. 6.486 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs 5.732 million (2023: Rs. 6.634 million) has been paid to the Management Company which acts as a collecting agent.

9.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company has allocated expenses to the Fund based on its discretion subject to not being higher than actual expense, which has also been approved by the Board of Directors of the Management Company.

9.4 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

Accordingly, the Management Company based on its own discretion has charged selling and marketing expenses while keeping in view the overall return and the total expense ratio limit of the Fund. During the year, the Management Company has charged the aforementioned

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

expenses, at the rate of 4% from November 1, 2023 to February 15, 2024, 6.5% from February 16, 2024 to March 17, 2024, 4.5% from March 18, 2024 to April 18, 2024, 3% from April 19, 2024 to June 25, 2024 and 0.5% from June 26, 2024 to June 30, 2024 per annum of the average daily net assets during the reporting year..

	Note	2024 —— (Rupees in '000) ——	2023
10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
Trustee fee payable	10.1	207	190
Sindh Sales Tax payable on trustee fee	10.2	27	23
		234	213

- 10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the average daily net assets of the Fund during the year. The tariff structure applicable to the Fund in respect of trustee fee is as follows:

Average net asset value Tariff per annum

Up to Rs.1,000 million	0.20% p.a. of NAV
Amount exceeding Rs.1,000 million	Rs. 2.0 million plus 0.10% p.a. of NAV

- 10.2 During the year, an amount of Rs. 0.316 million (2023: Rs 0.325 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.313 million (2023: Rs. 0.331 million) was paid to the Trustee which acts as a collecting agent.

	Note	2024 (Rupees in '000)	2023
11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
Annual fee	11.1	119	302

- 11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the SRO No. 592(I)/2023 dated May 17, 2023 issued by SECP, the Fund has charged SECP fee at the rate of 0.095% (2023: 0.02%) of the average daily net assets of the Fund during the year.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

12 ACCRUED AND OTHER LIABILITIES

Provision for Federal Excise Duty payable on remuneration of the Management Company	12.1	5,910	5,910
Federal Excise Duty payable on sales load		1,136	1,136
Charity / donation payable		1,627	3,170
Auditors' remuneration payable		529	530
Withholding tax payable		1,411	4
Brokerage payable		231	302
Other payables		666	666
		<u>11,510</u>	<u>11,718</u>

- 12.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 7.04 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2024 would have been higher by Rs. 0.53 (2023: Rs. 0.36) per unit.

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 (2023: Nil)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
	—— (Rupees in '000) ——	
14	NUMBER OF UNITS IN ISSUE	
Total units in issue at the beginning of the year	19,735,214	26,230,784
Add: Units issued	2,803,284	6,611,506
Less: Units redeemed	(9,271,257)	(13,107,076)
Total units in issue at the end of the year	<u>13,267,241</u>	<u>19,735,214</u>

15 **AUDITORS' REMUNERATION**

Annual audit fee	300	290
Half yearly review fee	155	151
Other certification and services	155	318
Out of pocket expenses and other taxes	119	118
	<u>729</u>	<u>877</u>

16 **TAXATION**

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company has distributed cash dividend that is at least 90 percent of the Fund's accounting income for the year ended June 30, 2024 as reduced by capital gains (whether realized or unrealized) to its unit holders in the form of cash.

17 **Earnings per unit**

Earnings per unit is calculated by dividing the net profit / loss of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	Note	2024 —— (Rupees in '000) ——	2023
18 CASH AND CASH EQUIVALENTS			
Balances with banks	5	183,801	187,605
		<u>183,801</u>	<u>187,605</u>

19 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 4.72% (2023: 4.78%) which includes 0.56% (2023: 0.51%) representing government levy and SECP fee.

20 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2024 —— (Rupees in '000) ——	2023
20.1 Transactions during the year:		
MCB Investment Management Limited - Management Company		
Remuneration (including indirect taxes)	50,257	56,382
Allocated expenses	1,233	1,512
Shariah advisory fee	490	710
Marketing and selling expense	3,900	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration (including indirect taxes)	2,745	2,837
Central Depository Service (CDS) settlement charges	146	112

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
	—— (Rupees in '000) ——	
Group / Associated Companies		
MCB Bank Limited		
Bank charges	30	11
MCB Islamic Bank Limited		
Profit on bank deposits	11,986	1,924
D.G. Khan Cement Company Limited		
Purchase of shares 380,200 (2023: 960,000) shares	21,064	48,849
Sale of shares 1,080,200 (2023: 588,265) shares	66,498	31,907
Dividend income	-	380
Nishat Mills Limited		
Purchase of 625,511 (2023: 269,399) shares	46,127	16,389
Sale of 324,910 (2023: 450,000) shares	21,064	31,443
International Steels Limited		
Purchase of 422,500 (2023: Nil) shares	20,170	-
Sale of 422,500 (2023: Nil) shares	30,851	-
Dividend Income	1,709	-
20.2 Balances outstanding at year end:		
MCB Investment Management Limited - Management Company		
Management remuneration payable	3,927	3,545
Sindh sales tax payable on remuneration of the management company	511	461
Allocated expenses payable	100	107
Shariah advisory fee payable	30	50
Selling and marketing payable	1,171	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	207	190
Sindh sales tax payable on trustee remuneration	27	23
Security deposit	200	200
MCB Bank Limited		
Balances with bank	2,851	6,877
MCB Islamic Bank Limited		
Balances with bank	153,346	170,340
Nishat Mills Limited		
520,000 (2023: 219,399) shares held	36,842	12,455
D.G. Khan Cement Company Limited		
Nil (2023: 700,000) shares held	-	35,910

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

20.3 Transactions during the year with connected persons / related parties in units of the Fund:

	2024							
	As at July 01, 2023	Issued for cash	Redeemed	As at June 30, 2024	As at July 01, 2023	Issued for cash	Redeemed	As at June 30, 2024
	Units				(Rupees in '000)			
Group / Associated Companies								
D.G. Khan Cement Company Limited								
Employees Provident Fund Trust	112,524	2,526	115,050	(0)	7,349	161	8,175	(0)
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	2,142,460	40,884	2,183,344	-	139,929	2,612	184,535	-
Adamjee Life Assurance Company Limited - Amanat Fund	1,267,428	50,083	409,664	907,847	82,779	4,411	37,900	101,766
Adamjee Life Assurance Company Limited - MAZAAF	3,580,650	147,695	946,043	2,782,302	233,860	13,149	91,000	311,884
Hyundai Nishat Motor Private Limited								
Employees Provident Fund	223,742	272,581	279,398	216,925	14,613	27,779	30,708	24,316
Adamjee Life Assurance Company Limited - Managed Growth Fund	-	7,612	-	7,612	-	700	-	853
Key management personnel*	16,740	1,081	17,822	(1)	1,093	70	1,197	(0)
Mandate under Discretionary Portfolio Services *	1,188,302	390,021	728,662	849,661	77,611	39,971	74,987	95,243
Unit holder 10% or more	1,416,836	63,074	-	1,479,910	-	5,716	-	165,892

* This reflects the position of related party / connected persons status as at June 30, 2024.

	2023							
	As at July 01, 2022	Issued for cash	Redeemed	As at June 30, 2023	As at July 01, 2022	Issued for cash	Redeemed	As at June 30, 2023
	Units				(Rupees in '000)			
Group / Associated Companies								
D.G. Khan Cement Company Limited - Employees' Provident Fund Trust	112,524	-	-	112,524	7,246	-	-	7,349
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	580,377	1,562,083	-	2,142,460	37,372	100,000	-	139,929
Adamjee Life Assurance Company Limited - (MAZAAF)	1,932,537	1,952,603	304,490	3,580,650	124,441	125,000	20,000	233,860
Adamjee Life Assurance Company Limited - Amanat Fund	463,331	850,929	46,832	1,267,428	29,835	52,591	3,000	82,779
Hyundai Nishat Motor Private Limited	167,136	113,653	57,046	223,743	10,762	7,150	3,700	14,613
Employee Provident Fund								
Key management personnel*	17,324	480	1,064	16,740	1,116	31	69	1,093
Mandate under Discretionary Portfolio Services *	909,522	1,301,235	937,451	1,273,306	58,567	84,430	60,931	83,163

* This reflects the position of related party / connected persons status as at June 30, 2023.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

21 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Balances with banks
Investments
Profit and other receivables
Receivable against sale of investments
Deposits

2024		
At amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

183,801	-	183,801
-	1,307,936	1,307,936
3,229	-	3,229
5,930	-	5,930
2,700	-	2,700
195,660	1,307,936	1,503,596

Financial liabilities

Payable to the MCB Investment Management Limited - Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Accrued and other liabilities

5,739	-	5,739
234	-	234
3,052	-	3,052
9,025	-	9,025

Financial assets

Balances with banks
Investments
Dividend, mark-up and other receivables
Receivable against sale of investments
Deposits

2023		
At amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

187,605	-	187,605
-	1,113,544	1,113,544
3,028	-	3,028
10,168	-	10,168
2,700	-	2,700
203,501	1,113,544	1,317,045

Financial liabilities

Payable to the MCB Investment Management Limited - Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Payable against purchase of investments
Accrued and other liabilities

4,163	-	4,163
213	-	213
12,903	-	12,903
4,667	-	4,667
21,946	-	21,946

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

22.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(ii) Yield / Profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis of variable rate instruments

As at June 30, 2024, the Fund is exposed to cash flow profit rate risk on bank deposits. In case of 100 basis points increase / decrease as on June 30, 2024, with all other variables held constant, the net assets value of the Fund and the net income for the year would have been lower / higher by Rs 1.809 million (2023: Rs 1.804 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

b) Sensitivity analysis of fixed rate instruments

As at June 30, 2024, the Fund does not hold any financial instrument exposing the Fund to fair value interest rate risk.

The composition of the Fund's investment portfolio, KIBOR rates and rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

2024					
Profit rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total
	Up to three months	More than three months and upto one year	More than one year		
(Rupees in '000)					

On-balance sheet financial instruments

Financial assets

Balances with banks	17% to 21.30%	180,882	-	-	2,919	183,801
Listed equity securities		-	-	-	1,307,936	1,307,936
Dividend, markup and other receivables		-	-	-	3,229	3,229
Receivable against sale of investments		-	-	-	5,930	5,930
Deposits		-	-	-	2,700	2,700
		180,882	-	-	1,322,714	1,503,596

Financial liabilities

Payable to MCB Investment Management Limited - Management Company	-	-	-	5,739	5,739
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	234	234
Accrued and other liabilities	-	-	-	3,052	3,052
	-	-	-	9,025	9,025

On-balance sheet gap (a)

180,882	-	-	1,313,689	1,494,571
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total profit rate sensitivity gap (a+b)

180,882	-	-	-	-
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Cumulative profit rate sensitivity gap

180,882	180,882	180,882	-	-
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

2023					
Profit rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total
	Up to three months	More than three months and upto one year	More than one year		

(Rupees in '000)

On-balance sheet financial instruments

Financial assets

Balances with banks	11.05% to 20.25%	180,358	-	-	7,247	187,605
Listed equity securities		-	-	-	1,113,544	1,113,544
Dividend, markup and other receivables		-	-	-	3,028	3,028
Receivable against sale of investments		-	-	-	10,168	10,168
Deposits		-	-	-	2,700	2,700
		180,358	-	-	1,136,687	1,317,045

Financial liabilities

Payable to the MCB Investment Management Limited - Management Company		-	-	-	4,163	4,163
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	213	213
Payable against purchase of investments		-	-	-	12,903	12,903
Accrued and other liabilities		-	-	-	4,667	4,667
		-	-	-	21,946	21,946

On-balance sheet gap (a)

180,358	-	-	1,114,741	1,295,099
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total profit rate sensitivity gap (a+b)

180,358	-	-
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Cumulative profit rate sensitivity gap

180,358	180,358	180,358
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(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to equity price risk arising from its investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments and their fair values exposed to price risk as at the year end are concentrated in the sectors given in note 6.1.1.

The following table illustrates the sensitivity of the profit for the year and the unit holders' fund to an increase or decrease of 5% in the fair values of the Fund's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Fund's equity securities at each statement of assets and liabilities date, with all other variables held constant.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
	— (Rupees '000) —	
Effect due to increase / decrease in KSE 100 index		
Investments	65,397	55,677
Income statement	65,397	55,677

22.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees in '000			
Balances with banks	183,801	183,801	187,605	187,605
Investments in equity and government securities	1,307,939	-	1,113,544	-
Profit and other receivables	3,229	3,229	3,028	3,028
Deposits	2,700	2,700	2,700	2,700
Receivable against sale of investments	5,930	5,930	10,168	10,168
	1,503,599	195,660	1,317,045	203,501

Difference in the balance as per statement of asset and liabilities and maximum exposure is due to the fact that investments in equity securities and government securities of Rs.1,307.936 million (2023: Rs. 1,113.547 million) and dividend receivable from government securities of Rs: Nil (2023: Rs. Nil) is not exposed to credit risk.

Details of credit rating of balances with banks as at June 30, 2024 are as follows:

	2024	2023
	— % —	
Bank balances by rating category		
AAA	1.91	1.97
AA+	0.01	50.02
AA	14.62	2.59
AA-	0.03	0.02
A	0.00	45.40
A+	83.43	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.

22.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units in issue. The Fund did not withhold any redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. The maturity profile of the Fund's liabilities based on contractual maturities is given below:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Financial liabilities

Payable to the MCB Investment Management Limited - Management Company
Payable to Central Depository Company of Pakistan - Trustee
Accrued and other liabilities

2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
5,739	-	-	-	-	-	5,739
234	-	-	-	-	-	234
3,052	-	-	-	-	-	3,052
9,025	-	-	-	-	-	9,025

Financial liabilities

Payable to the MCB Investment Management Limited - Management Company
Payable to Central Depository Company of Pakistan - Trustee
Payable against purchase of investments
Accrued and other liabilities

2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
4,163	-	-	-	-	-	4,163
213	-	-	-	-	-	213
12,903	-	-	-	-	-	12,903
4,667	-	-	-	-	-	4,667
21,946	-	-	-	-	-	21,946

23 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2024, the Fund held the following financial instruments measured at fair values:

	2024			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Listed equity securities	1,307,936	-	-	1,307,936
	1,307,936	-	-	1,307,936
	2023			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Listed equity securities	1,113,544	-	-	1,113,544
	1,113,544	-	-	1,113,544

24 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of their proportionate share of the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirements of minimum fund size at all times.

The Fund's objective when managing unit holders' fund is to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

25 PATTERN OF UNITHOLDING

Details of pattern of unitholding

2024				
Number of unit holders	Number of units held	Investment amount	Percentage investment	
		(Rupees in '000)	%	
Individuals	2,120	7,842,075	879,063	59.11%
Associated Company	4	3,914,686	438,819	29.51%
Provident & Pensions fund	12	1,326,447	148,689	10.00%
Public Limited Company	1	41	5	0%
Others	2	183,992	20,625	1.39%
	2,139	13,267,241	1,487,200	100%

2023				
Number of unit holders	Number of units held	Investment amount	Percentage investment	
		(Rupees in '000)	%	
Individuals	2,100	10,449,495	682,480	52.95%
Retirement funds	17	1,957,689	127,861	9.92%
Associated companies	5	7,326,804	478,530	37.13%
Others	3	1,226	80	0.01%
	2,125	19,735,214	1,288,951	100%

26 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

Details of commission paid by the fund to top ten brokers by percentage during the year are as follows:

	2024 (Percentage)
1 Foundation Securities Limited	9.33%
2 Khadim Ali Shah Bukhari Securities (Private) Limited	9.26%
3 BMA Capital Management Limited	7.08%
4 Alfalah CLSA Securities (Private) Limited	6.74%
5 Ismail Iqbal Securities (Private) Limited	6.68%
6 Insight Securities Limited	6.68%
7 JS Global Capital Limited	6.06%
8 AL Habib Capital Markets (Private) Limited	5.79%
9 IGI Securities Finex Limited	5.71%
10 Optimus Capital Management (Private) Limited	4.62%

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

**2023
(Percentage)**

1 Alfalah CLSA Securities (Private) Limited	5.51%
2 Intermarket Securities Limited	5.46%
3 Optimus Capital Management (Private) Limited	5.12%
4 Topline Securities Limited	5.04%
5 BMA Capital Management Limited	5.02%
6 AKIK Capital (Private) Limited	5.01%
7 Khadim Ali Shah Bukhari Securities Limited	4.81%
8 Foundation Securities Limited	4.68%
9 DJM Securities (Private) Limited	4.59%
10 Ismail Iqbal Securities (Private) Limited	4.40%

27 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

The 189th, 190th, 191th, 192nd, 193rd, 194th, 195th & 196th meeting of the Board of Directors were held on July 21, 2023, July 26, 2023, September 28, 2023, October 12, 2023, October 18, 2023, February 02, 2024, April 19, 2024 and April 22, 2024 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

Name of persons attending the meetings	Designation	Number of meetings held	Number of meetings			Meetings Not Attended
			Attendance required	Attended	Leave granted	
Mr. Haroon Rashid	Chairman	8	8	8		
Mr. Ahmed Jahangir	Director	8	8	8		
Syed Savail Meekal Hussain	Director	8	8	7	1	195
Ms. Mavra Adil Khan	Director	8	8	6	2	192, 195
Mr. Muhammad Saqib Saleem (Resigned on October 31, 2023)	Chief Executive Officer	8	5	5	-	
Mr. Fahd Kamal Chinoy	Director	8	8	5	3	190, 192, 195
Mr. Manzar Mushtaq	Director	8	8	8		
Mr. Shoaib Mumtaz	Director	8	8	5	3	192, 193, 195
Mr. Khawaja Khalil Shah (Appointed on November 01, 2023)	Chief Executive Officer	8	3	3	-	

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

28 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of Investment Committee of the Fund are as follows:

S. No.	Name	Designation	Qualification	Experience in years
1	Khawaja Khalil Shah	Chief Executive Officer	MBA	32
2	Muhammad Asim	Chief Investment Officer	MBA, CFA	21
3	Awais Abdul Sattar	Portfolio Manager Equities	MBA, CFA	13
4	Saad Ahmed	Head Of Fixed Income	MBA	18
5	Syed Abid Ali	Head Of Equities/ Fund Manager	MBA	16

Mr. Syed Abid Ali is the Manager of the Fund as at year end. Other funds being managed by him are as follows:

- Alhamra Islamic Pension Fund; and
- Alhamra Islamic Stock Fund
- Alhamra Opportunity Fund - Dividend Strategy Plan
- MCB Alhamra KPK Government Employees Pension Fund - Money Market Sub Fund

29 CORRESPONDING FIGURES

Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

30 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 25 September 2024 by the Board of Directors of the Management Company.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE
FOR THE YEAR ENDED JUNE 30, 2024**

No. of Unit Holders	Unit holdings	Total units held
860	A. 001-10,000	18,069
759	B. 10,001 – 100,000	282,149
407	C. 100,001 – 1000,000	1,124,652
113	D. 1000,001 & Above	11,842,371
<u>2,139</u>		<u>13,267,241</u>

PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2024

Performance Information	2024	2023	2022	2021	2020
Total Net Assets Value – Rs. in million	1487.2004	1288.9518	1,689.0710	2,334.8880	1,963.5787
Net Assets value per unit – Rupees	112.0957	65.3123	64.3927	77.7831	62.5192
Closing Offer Price	115.8957	67.5264	66.5756	80.4199	64.6386
Closing Repurchase Price	112.0957	63.0982	62.2098	75.1463	62.5192
Highest offer price per unit	120.0478	69.8956	83.0021	83.0920	80.4091
Lowest offer price per unit	66.0384	61.2710	65.5420	65.6646	52.0342
Highest Redemption price per unit	116.1116	67.6038	80.2806	80.3675	77.7726
Lowest Redemption price per unit	63.8731	59.2620	63.3930	63.5116	50.3281
Distribution per unit – Rs. *	3.25	-	-	-	0.8205
Average Annual Return - %					
One year	80.64	1.43	-17.22	24.41	-0.76
Two year	41.04	-7.90	3.60	11.83	-4.83
Three year	21.62	2.87	2.14	4.92	-4.57
Net Income for the year – Rs. in million	831.631	29.4184	(388.3256)	527.1950	(20.355)
Distribution made during the year – Rs. in million	229.44	-	-	-	25.7112
Accumulated Capital Growth – Rs. in million	602.1900	29.4184	(388.3256)	527.1950	(45.856)

*** Date of Distribution**

2024	
Date	Rate
26-Jun-24	3.250

2023	
Date	Rate
NIL	

2022	
Date	Rate
NIL	

2021	
Date	Rate
NIL	

2020	
Date	Rate
June 29, 2020	0.8205

Disclaimer

The past performance is not necessarily indicative of future performance and unit prices and investments and returns may go down, as well as up.

**PROXY ISSUED BY FUND
FOR THE YEAR ENDED JUNE 30, 2024**

The Board of Directors of MCB Investment Management Limited (the Management Company of Alhamra Islamic Asset Allocation Fund – ALHAA) has an overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on the Management Company's website (www.mcbfunds.com).

During the financial year ended June 30, 2024, the Management Company on behalf of ALHAA participated in eight (8) shareholders' meetings. The Management Company did not participate in shareholders' meetings in the cases which did not meet the criteria reported in Paragraph No. 8 and 9 of the Proxy Voting Policy and Procedures. Summary of actual proxies voted during the financial year are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	71	59	12	0	-
(%ages)	100	83	17	0	-

Detailed information regarding actual proxies voted by the Management Company in respect of ALHAA is available without any charges, upon request, to all Unit Holders.

MCB INVESTMENT MANAGEMENT LIMITED

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